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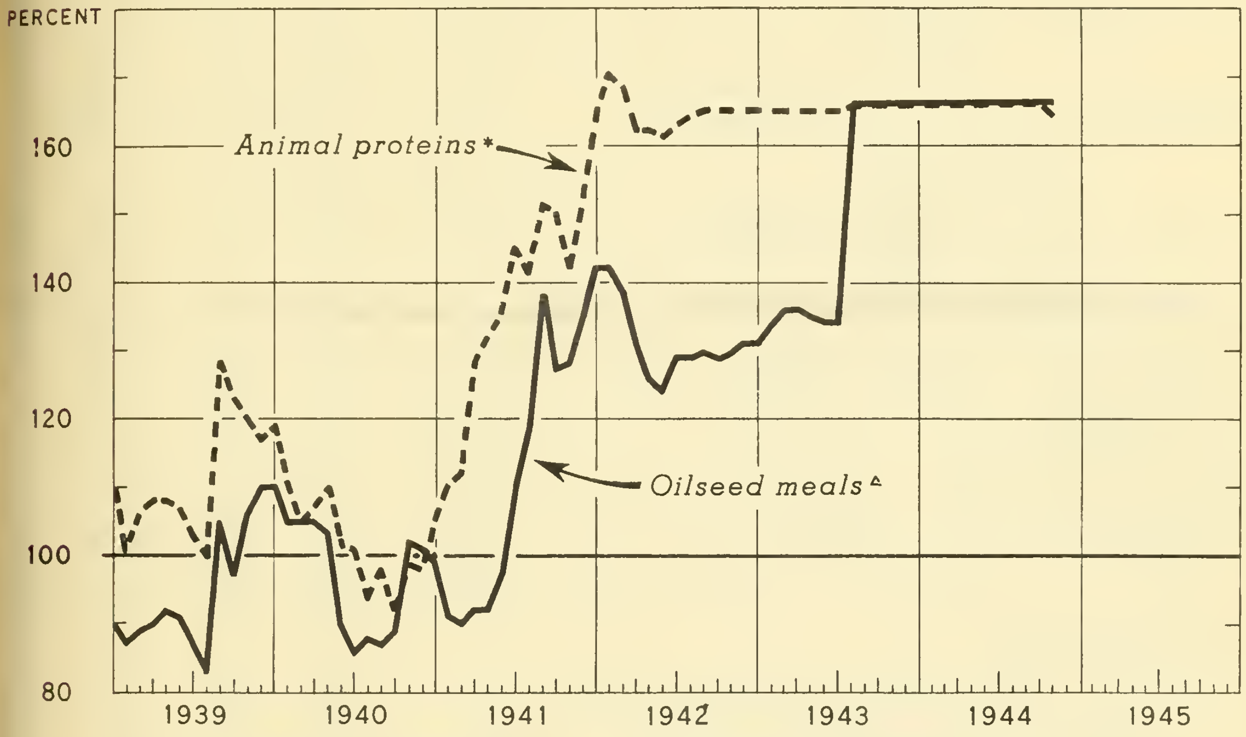
THE Feed SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

FDS-65 BAE DECEMBER 1944

OILSEED MEALS AND ANIMAL PROTEIN FEEDS: WHOLESALE PRICES AT PRINCIPAL MARKETS, UNITED STATES, 1939-44

INDEX NUMBERS (1935-39=100)



* TANKAGE, MEAT SCRAPS, AND FISH MEAL △ COTTONSEED, SOYBEAN, LINSEED, AND PEANUT MEALS

U. S. DEPARTMENT OF AGRICULTURE NEG. 45019 BUREAU OF AGRICULTURAL ECONOMICS

Demand for high-protein feeds is expected to continue strong during the winter months, although not so strong as last winter when a record number of livestock was on farms. Prices of oilseed meals and most animal protein feeds probably will remain at or near present levels for at least the next few months. Supplies of high-protein feeds are slightly smaller this season than last.

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Table 1.- Market prices of feeds and livestock-feed price ratios, December 1942, 1943, and October-December 1944

Item	Unit	Dec. 1942	Dec. 1943	1944 Oct.	1944 Nov.	1944 Dec. 1/
Grains		Cents	Cents	Cents	Cents	Cents
Corn No. 3 Yellow, Chicago	Bu.	89.4	113.4	114.2	109.3	114.4
Oats No. 3 White, Chicago	"	53.6	80.8	67.6	66.1	73.6
No. 3 White, Minneapolis	"	50.0	78.6	62.0	64.7	68.1
Barley No. 3, Minneapolis	"	73.8	122.7	114.7	116.3	118.9
Wheat No. 2 Hard Winter, Kansas City	"	130.5	162.8	161.3	159.1	163.0
Rye No. 2, Minneapolis	"	70.3	120.2	114.8	113.1	113.9
Byproduct Feeds (bagged)		Dol.	Dol.	Dol.	Dol.	Dol.
Standard bran, Minneapolis	Ton	35.80	37.75	37.75	37.75	37.75
Chicago	"	37.45	39.80	39.80	39.80	39.80
Buffalo	"	40.40	41.55	41.55	41.55	41.55
Standard middlings, Minneapolis	"	35.95	37.75	37.75	37.75	37.75
Chicago	"	37.75	39.80	39.80	39.80	39.80
Buffalo	"	40.05	41.55	41.55	41.55	41.55
Cottonseed meal, 41 pct. protein, Memphis	"	38.65	48.50	48.50	48.50	48.50
Linseed meal, 34 pct. protein, Minneapolis	"	42.80	45.50	2/ 45.50	2/ 45.50	2/ 45.50
30 pct. protein, San Francisco	"	45.00	47.00	47.00	47.00	47.00
Soybean meal, 41 pct. protein, Chicago	"	39.00	51.90	52.00	52.00	52.00
41 pct. protein, Decatur 3/	"	---	48.50	48.50	48.50	48.50
Peanut meal, 45 pct. protein, S. E. milling points	"	38.00	53.00	53.00	53.00	53.00
White hominy feed, Chicago	"	35.70	50.00	48.50	48.50	48.50
Gluten feed, 23 pct. protein, Chicago	"	32.50	41.50	41.30	41.30	41.30
Tankage, digester, 60 pct., Chicago 4/	"	74.55	74.55	74.55	74.55	74.55
Meat scraps, Chicago 4/	"	71.50	73.50	73.50	71.00	68.50
Fish meal, San Francisco	"	79.50	79.50	79.50	79.50	79.50
Alfalfa meal, No. 1 fine, Kansas City	"	32.90	39.80	44.80	44.90	44.90
Mixed dairy feed, 16 pct. protein	"	46.00	58.20	58.40	58.00	57.20
Laying mash	"	59.00	70.80	71.40	71.00	70.80
		Pct.	Pct.	Pct.	Pct.	Pct.
Index of Feed Prices						
Feed grains, U. S., 1910-14 = 100		122	177	172	165	5/ 167
Oilseed meal, terminal markets, 1935-39 = 100		131	166	166	165	166
Livestock byproduct feeds and fish meal, terminal markets, 1935-39 = 100		165	166	166	164	164
Ten principal high-protein feeds, terminal markets, 1935-39 = 100		139	166	166	166	166
Livestock-Feed Price Ratios, Index Numbers, 1923-42 = 100 6/						
Hog-corn ratio, Chicago		133	98	108	109	7/ 104
Beef steer-corn ratio, Chicago		115	91	97	100	7/ 90
Butterfat-feed ratio, U. S. 8/ 9/		108	87	100	98	5/ 97
Milk-feed ratio, U. S. 8/ 9/		116	99	114	111	5/ 118
Egg-feed ratio, U. S. 8/		107	94	78	83	5/ 98

1/ Grain prices, average for week ended December 16, byproduct feed prices as of December 19. 2/ 32 pct. protein. 3/ Bulk prices plus allowance for bags. 4/ Processors' price at Chicago plus allowance for bags. 5/ Preliminary. 6/ For egg-feed ratio 1933-42 = 100. Index numbers above 100 indicate that ratios are favorable to livestock producers. 7/ For week ended December 16. 8/ Adjusted for seasonal variation. 9/ Includes dairy production payments which began October 1, 1943.

THE FEED SITUATION

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SUMMARY

Supplies of feed concentrates will be ample to meet all domestic requirements in the 1944-45 season, in contrast to the tight situation experienced a year earlier.

Prices of feed grains are expected to average somewhat lower during the next 3 or 4 months than a year earlier. Prices of most byproduct feeds probably will hold at or near ceiling levels, about unchanged from last year. In view of the large supplies of feed available, and the reduced numbers of livestock on farms, most livestock-feed price ratios, except possibly the egg-feed price ratio, may be moderately more favorable for livestock producers in the first half of 1945 than in the corresponding period of 1944. Advances in livestock prices will be limited by ceiling prices now in effect.

Feed concentrate requirements during the 1944-45 feeding year will be smaller than in either of the two previous years, but larger than in most other years. Feed requirements of poultry and all classes of livestock except dairy cattle are smaller than in 1942-43 or 1943-44, owing to reduced numbers on farms. Requirements for hay, however, will be about as large as in 1943-44, inasmuch as little change has taken place in numbers of important hay-consuming animals. The quantity of feed grains utilized for food and industrial uses is expected to be larger in 1944-45 than a year earlier, but the increase will be small in relation to total requirements.

Smaller quantities of wheat will be fed to livestock in 1944-45 than in either of the past two seasons, but a larger quantity than average for the 10-year (1932-41) period.

The 1944 estimate of the total corn crop was 3,228 million bushels, making the total supply (production plus carry-over) 3,446 million bushels. This supply is 44 million bushels larger than last year, but 178 million bushels smaller than the record 1942 supply. With the exception of 1942, the supply this year is larger than any other year. Production of all sorghums for grain in 1944 is placed at 182 million bushels, by far the largest crop of those grains on record. Production of the four principal feed grains in 1944, (corn, oats, barley, and grain sorghums) is now estimated at 121 million tons, 7 million tons more than last year's total, but 2 million less than the record 1942 production. Total supplies of the four feed grains for 1944-45 amount to 132 million tons, compared with 131 million tons a year earlier, and with the record 1942-43 supply of 141 million tons.

The December pig crop report showed a 34 percent decrease in the 1944 fall pig crop from the fall crop of 1943. The annual crop saved in 1944, totaling 86.8 million head, was 29 percent smaller than in 1943, but nevertheless was the fourth largest of record. The reduced number of hogs to be fed in the 1944-45 feeding year will be a major factor in reduced requirements for feed.

According to breeders' intentions, as reported on December 1, about 7 percent fewer hogs are expected to farrow in the spring season of 1945 than in the spring of 1944. This suggests that fewer hogs would be fed in the early part of the 1945-46 marketing year than in the current season.

-- December 23, 1944.

OUTLOOK

BACKGROUND.- During most of the 1941-47 period, feed prices were low in relation to livestock prices, and production of livestock and livestock products increased rapidly. Livestock feed requirements became greater than feed production, although production of feed crops was large. Feed-grain reserves were reduced during this period to below average.

Prices of feed grains increased sharply during 1943, and by early 1944 prices received by farmers averaged about 160 percent higher than the relatively low level prevailing prior to the outbreak of war in Europe. During 1944 the ratio of prices received by farmers for livestock and livestock products to prices of feed grains was only slightly more favorable for livestock products than average.

The trend of increasing livestock numbers was reversed in 1944. The 1944 pig crops were considerably smaller than the record 1943 crops. Numbers of chickens, sheep, and beef cattle on farms January 1, 1945, are expected to be smaller than a year earlier, but dairy cow numbers probably will be slightly larger.

Feed Concentrate Prices in Early 1945 Expected to Remain Near Present Levels

The relatively large supply of feed concentrates available for the 1944-45 feeding year in relation to livestock in the country indicates that pressure of feed prices to hold at ceilings will not be present in the same degree in 1945 as in 1944. Prices of byproduct feeds are expected to remain near present levels for at least the next few months; although a slight decline may occur in some items because of reduced demand. Prices of feed grains are expected to show little change from present levels, with prices averaging slightly lower in the first half of 1945 than in the corresponding period a year earlier.

Corn prices normally reach the seasonal low about November, as marketings of new-crop grain become large. Prices usually advance somewhat in subsequent months until about August, when the seasonal high is reached. In years of exceptionally large crops, however, prices do not closely follow this pattern, and it is not unusual that in January, for example, corn prices are lower than in December. Oats and barley prices usually advance seasonally after their low points in August and June, reppectively, with the greatest advances being made from November through January, thereafter advancing, though at a slower rate, until their seasonal high is reached about in May. Oats and barley prices probably will have a more nearly normal seasonal rise in prices than corn in early 1945.

Favorable Feed Price Ratios Indicated For Most Livestock Producers

In view of the relatively large feed supplies and the reduced numbers of livestock on farms, most livestock-feed price ratios, except possibly the egg-feed price ratio, may be more favorable for livestock producers in the first half of 1945 than a year earlier.

Meat-animal prices are expected to be well maintained in 1945. Prices for cattle and calves in 1945 may average about the same as in 1944. A smalle lamb crop is expected in 1945 than a year earlier. Fewer lambs are being fed this winter than in any winter since 1937, but a moderate increase in cattle feeding is indicated. Prices of hogs may average higher than a year earlier, reflecting a sharp drop in slaughter resulting from the reduced 1944 pig crops

With corn prices probably slightly lower, the hog-corn price ratio is likely to continue more favorable for hog producers throughout the winter an spring than a year earlier. The hog-corn price ratio (farm basis) was more favorable in the late fall of 1944 than for any month since the fall of 1943, although it was only moderately above the average for the 20-year (1923-42) period.

Prices received by dairy farmers for milk and butterfat are expected to average about the same in early 1945 as a year earlier. However, because of higher dairy production payments through March (which have already been announced), returns to dairy farmers probably will be at the highest level ever reported for that period. This may result in the milk-feed price ratio being more favorable than the other livestock-feed price ratios.

The farm price of eggs for the next few months probably will show usual seasonal declines from the seasonal peak in mid-November. Egg prices may be slightly lower during the first half of 1945 than in the corresponding period of 1944. Egg-feed price relationships in the first half of 1945 probably will continue relatively unfavorable for egg producers.

Table 2.- Livestock-feed price ratios, November 1941-43, and September-November 1944

Price ratio	Average 1923-42	November 1941	November 1942	November 1943	1944 Sept.	1944 Oct.	1944 Nov.
Hog-corn 1/	11.8	15.2	17.7	12.3	11.7	12.2	12.7
Milk-fed 2/	1.24	1.42	1.35	1.21	1.40	1.41	1.38
Butterfat-feed 3/	24.5	24.1	26.6	22.3	25.7	24.4	24.1
Egg-feed 4/	5/17.5	18.0	17.0	15.6	14.7	13.6	14.5

1/ Farm basis. Number of bushels of corn equivalant in value to 100 pounds of live hogs.
2/ Adjusted for seasonal variation, and including dairy production payments beginning October 1943. Pounds of feed equal in value to 1 pound of wholesale milk.
3/ Adjusted for seasonal variation, and including dairy production payments beginning October 1943. Pounds of feed equal in value to 1 pound of butterfat.
4/ Adjusted for seasonal variation. Number of pounds of feed equal in value to 1 dozen eggs at local markets.
5/ 1933-42 average.

Feed Requirements in 1945 Smaller than in Previous Two Years

Requirements for feed during the 1944-45 feeding year will be smaller than in either of the two previous years, but will be larger than in most years previous to that. The year 1944 marked the turning point of the cycle on increasing hog production, which began with the fall pig crop of 1941. The 1944 spring pig crop totaled 55.9 million head, 24 percent smaller than the 1943 spring pig crop, and 8 percent smaller than the 1942 spring pig crop. A sharp reduction in the size of the 1944 fall pig crop from the record 1943 fall crop was indicated in the December pig survey. The fall crop this year amounted to 31.3 million head, a reduction of 34 percent from the 1943 fall crop, and 28 percent smaller than the fall crop of 1942. The number of hogs to be fed in the 1944-45 feeding year, therefore, will be considerably smaller than in either of the two previous seasons. This is the major factor in the reduced requirements for feed.

Sheep numbers have been declining since 1942, and indications point to a further decline in 1944. The total number of cattle and calves on farms January 1, 1945, is expected to be moderately smaller than a year earlier, with a decrease indicated for beef cattle and all calves, but partly offset by a moderate increase in milk cows. The trend in numbers of horses and mules on farms is also downward. The number of chickens on farms at the beginning of 1945 may be about 7 to 10 percent smaller than the record number on farms January 1, 1944.

The total number of grain-consuming animal units to be fed in 1944-45 may be 10 to 15 percent smaller than in the 1943-44 feeding season. The number of hay-consuming animal units to be fed in 1944-45 will be about the same as or only slightly less than in 1943-44, since the greatest reductions in livestock on farms are in hogs and chickens. The requirements of livestock for feed grains and other feed concentrates this season probably will be reduced nearly in the same proportion as the reduction in grain-consuming animal units.

Requirements of feed grains for industrial and food uses in 1945 will be larger than in 1944, but the increase will not be large in relation to total supplies in the country. Requirements for corn by the wet-processing industry probably will be slightly larger than in 1944, because of continued strong demand for products of the industry and because the quantity of corn permitted to be ground is not restricted, as in 1944. It is probable that a larger quantity of corn will be used in producing alcohol in 1945 than in 1944. Except by specific permit for the use of out-of-condition corn, use of corn for alcohol has been prohibited during 1944. Utilization of barley for producing malt is expected to be slightly larger in 1945 than in 1944, and utilization of oats for breakfast foods probably will be slightly larger. A relatively larger quantity of sorghum grain was utilized in alcohol production during 1944. During 1945 an even greater quantity of those grains is expected to be used for that purpose.

Smaller Quantities of Wheat to be Fed in 1944-45

With record production of corn this year and a wide differential between the price of wheat and prices of feed grains, the quantity of wheat used as feed for livestock during the 1944-45 feeding year (October-September) probably will be the smallest since 1941-42. Possibly 150 million bushels of wheat will be fed in this feeding year beginning October 1. Previous estimates had placed the amount of wheat to be fed during this period at a somewhat larger figure. An upward revision of 4 cents per bushel in maximum prices of wheat was made by OPA on December 13. The margin between wheat and corn prices make wheat feeding less profitable than feeding corn or other feed grains. In the 10-year (1932-41) period, the quantity of wheat fed averaged nearly 120 million bushels; in 1942-43 it totaled about 420 million bushels, and in 1943-44 about 450 million bushels.

Sales of wheat for feed by Commodity Credit Corporation during December are estimated at about 10 million bushels, the smallest quantity of Government wheat sold for feed in any month since March 1943. Including the estimate for December, the quantity of wheat sold by CCC for feed in 1944 (calendar year) will total 226 million bushels, compared with 420 million bushels in 1943, and with 103 million bushels in 1942. During the October-December period, about 44 million bushels were sold by CCC, only about half the amount sold in the corresponding period of 1943.

Table 3.- Wheat and corn: Commodity Credit Corporation stocks at beginning of year or month, and sales for feed, 1942-44

Calendar year and month	Stocks at beginning of period		Sales for livestock feed		
	Corn	Wheat 1/	Corn	Wheat	Total in 56-pound bushel
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1942	151,468	160,355	75,194	102,598	185,121
1943	31,547	247,468	45,640	419,642	495,256
1944					
Jan. ...	1,379	92,315	53	17,614	18,925
Feb. ...	1,099	87,106	37	11,336	12,183
Mar. ...	366	117,652	86	16,099	17,335
Apr. ...	1,109	114,046	---	24,234	23,965
May	858	117,863	62	28,015	30,078
June ...	738	98,718	49	23,825	25,576
July ...	1,951	98,960	9	18,319	19,637
Aug. ...	2,023	89,386	8	19,453	20,850
Sept....	1,062	106,027	8	23,125	24,785
Oct. ...	1,009	115,449	7	22,667	24,293
Nov. ...	1,074	105,735	4	11,169	11,971
Dec. ...	1,069	96,469		2/ 10,000	

1/ Based on reports of regional directors. Prior to May 1943 based on reports of custodians.

2/ Preliminary estimate.

Table 4.- Feed balance, livestock production, and feed per unit of livestock, United States, year beginning October, 1937-44

Item	Average 1937-41	1942	1943 1/	1944 1/
	Million tons	Million tons	Million tons	Million tons
Supply				
Stocks beginning of crop year 2/	17.1	18.8	16.7	10.8
Production				
Corn	72.3	87.7	85.0	90.4
Oats	18.1	21.6	18.2	18.7
Barley	6.8	10.3	7.8	6.8
Grain sorghums	2.2	3.0	2.9	5.1
Total feed grains produced	99.4	122.6	113.9	121.0
Other grains fed 3/	4.5	4/15.8	16.3	6.1
Byproduct feeds for feed	15.4	18.4	18.6	18.6
Total supply of concentrates	136.4	4/175.7	165.5	156.5
Utilization				
Domestic feed grains fed	85.1	111.4	107.0	
Domestic wheat and rye fed	4.4	4/13.0	9.9	
Imported feed grains, wheat, and rye fed	.1	4/ 2.8	6.5	
Oilseed cake and meal	3.9	6.0	6.2	
Animal protein feeds	2.9	2.9	2.8	
Other byproduct feeds	8.6	9.5	9.6	
Total concentrates fed	105.0	4/145.6	142.0	
Feed grains for seed, human food, industry, and export	12.2	13.4	13.0	
Total utilization	117.2	4/159.0	155.0	
Total utilization adjusted to crop-year basis	116.3	4/159.0	154.7	
Stocks at end of crop year 2/	20.1	16.7	10.8	
Number of grain-consuming animal units January 1 following (millions)	132.6	159.6	170.8	148.0
Supply of all concentrates per animal unit (ton)	1.03	1.10	.97	1.06
Utilization of all concentrates for feed per animal unit January 1 following (ton)	.79	.91	.83	
Livestock production, October-September, in terms of production units (millions) 5/	153.9	189.5	189.4	167.0
Utilization of all concentrates for feed per production unit (ton)	.68	.77	.75	

1/ Preliminary. Subject to change as additional data become available.

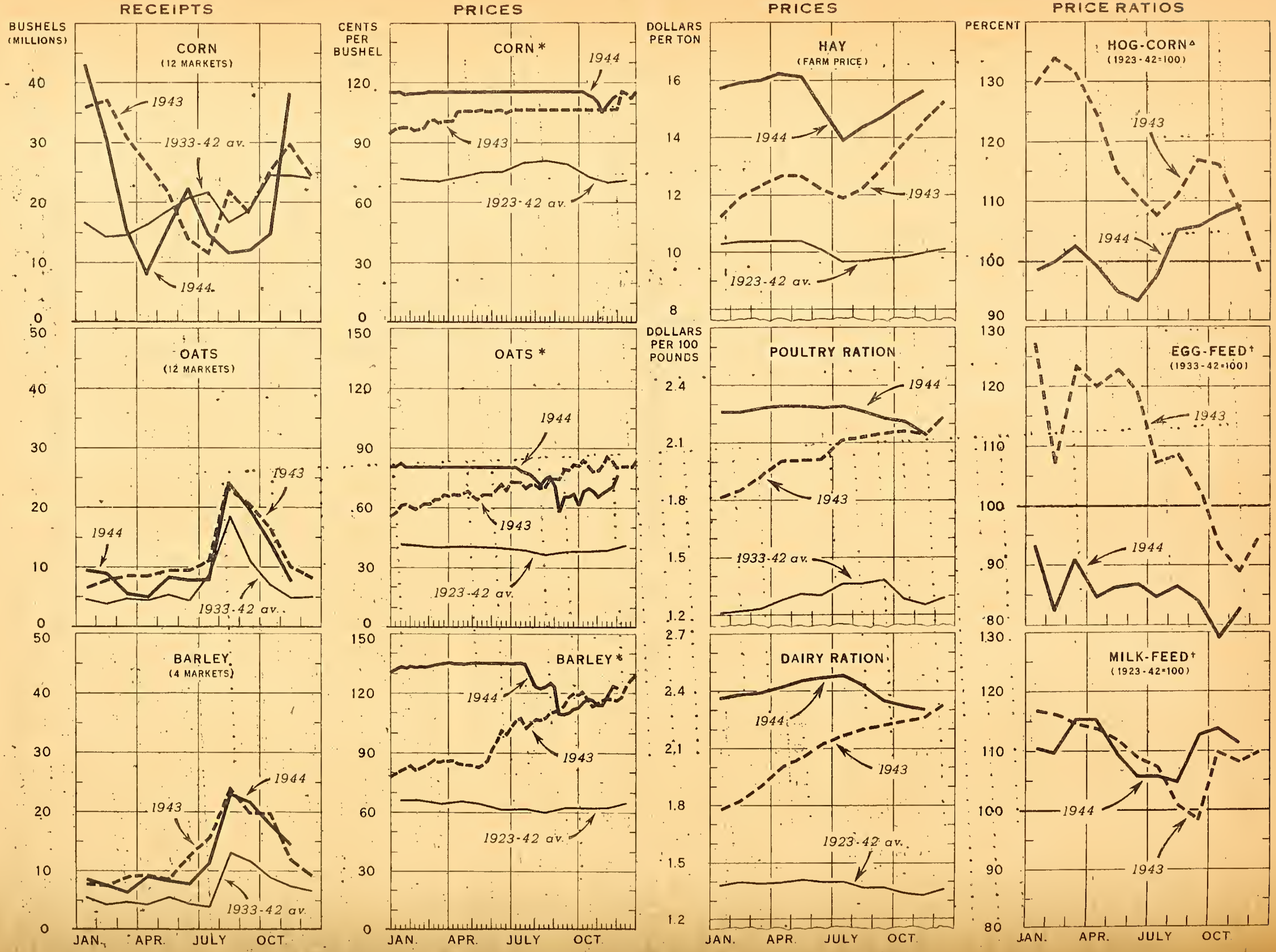
2/ Farm, terminal market, and Government-owned stocks of corn October 1, oats July 1, and barley, June 1; sorghum stocks not reported.

3/ Imported grain and domestic wheat and rye.

4/ Revised.

5/ An animal production unit is equal to 4,237 pounds of milk, 314 pounds of hogs, live weight, 833 pounds of cattle and calves, live weight, 185 dozen eggs, 70 chickens produced, 20 turkeys produced, 116 broilers produced, 37 sheep and lambs on farms January 1, or 0.70 horse or mule on farms January 1.

MARKET RECEIPTS AND PRICES OF SPECIFIED FEEDS, AND LIVESTOCK-FEED PRICE RATIOS



* CORN, NO. 3 YELLOW AT CHICAGO; OATS, NO. 3 WHITE AT CHICAGO; BARLEY, NO. 3 FEED AT MINNEAPOLIS. △ BASIS CHICAGO PRICES.
† ADJUSTED FOR SEASONAL VARIATION. MILK-FEED PRICE RATIO INCLUDES DAIRY PRODUCTION PAYMENTS BEGINNING OCT 1943.

U. S. DEPARTMENT OF AGRICULTURE

NEG. 45037 BUREAU OF AGRICULTURAL ECONOMICS

RECENT DEVELOPMENTS

Over-All Feed Supply Prospects Remain About as Indicated in November

Estimates on 1944 crop production made by the Crop Reporting Board in the December report show relatively little change in feed-grain production from November indications. The 1944 corn and grain sorghum crops set new records for total production. Corn production this year, amounting to 3,228 million bushels, was 96 million bushels larger than the previous record of 3,132 million bushels produced in 1942. These estimates relate to corn harvested for all purposes--grain, silage, forage, hogging, and grazing. Production of corn for grain also set a record, totaling 2,910 million bushels, or 89.8 percent of the total crop, compared with the previous record of 2,849 million bushels in 1942.

Production of all sorghums for grain in 1944 was estimated at 182 million bushels, 63 percent larger than the previous record production in 1941. Production of oats in 1944 was 1,166 million bushels, 3 percent larger than last year's production. Barley production in 1944 was 284 million bushels, 40 million bushels (12 percent) smaller than in 1943, and 145 million bushels (34 percent) smaller than the record 1942 crop.

Total 1944 production of the four principal feed grains is now indicated to be 121 million tons, 7 million tons larger than in 1943, but 2 million tons below the record 1942 production. Total supplies of feed concentrates for the 1944-45 marketing year are estimated at 157 million tons. With an indicated 10 to 15 percent reduction in grain-consuming animal units on farms, the quantity of feed concentrates per animal unit would be about as large as the record 1942-43 supply, with an additional large supplies of wheat that could be utilized as feed.

Table 5.- Feed-grain production, bu regions, 1943-44

Geographic division	Corn	Oats	Barley	Grain sorghums	Total
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 tons
			1943 1/		
orth Atlantic	85,606	30,721	4,817	---	3,004
ast North Central	965,476	299,660	15,604	30	32,203
est North Central	1,366,735	634,171	167,956	17,323	52,931
outh Atlantic	192,227	35,848	5,087	25	6,079
outh Central	392,684	72,595	11,378	77,256	14,593
estern	31,626	64,509	119,308	9,230	5,040
Total	3,034,354	1,137,504	324,150	103,864	113,850
			1944 1/		
orth Atlantic	93,954	55,610	5,337	---	3,649
ast North Central	897,191	333,646	12,233	27	30,754
est North Central	1,644,751	568,355	126,729	55,450	59,741
outh Atlantic	189,169	43,083	6,358	60	6,140
outh Central	371,132	105,307	19,302	109,817	15,615
estern	32,164	60,391	114,467	16,402	5,073
Total	3,228,361	1,166,392	284,426	181,756	120,972

1/ Revised according to December estimate.

Table 6.- Feed-grain and hay supplies, by regions, 1938-44 1/

Geographic division	Feed grains 1/			Hay 2/		
	Average 1938-42	1943 3/	1944 3/	Average 1938-42	1943 3/	1944 3/
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
North Atlantic	4,285	3,497	3,943	13,312	15,236	13,642
East North Central ..	36,382	36,768	33,113	23,597	23,396	21,542
West North Central ..	57,060	62,620	66,081	29,733	32,363	32,421
South Atlantic	6,559	6,439	6,608	6,184	6,701	6,002
South Central	15,375	15,466	16,316	12,901	12,979	12,151
Western	4,296	5,733	5,718	21,580	22,306	22,506
United States	123,957	130,523	131,779	107,307	112,981	108,264

1/ Corn: October 1 farm and terminal market stocks, plus corn owned by the Government, plus production; oats: July farms and terminal market stocks, plus production; barley: June 1 farm and terminal market stocks, plus production: grain sorghums: production for all purposes.
2/ May 1 carry-over plus production.
3/ Revised.

Production of all hay in 1944 amounted to 98 million tons, compared with 100 million tons a year earlier. The total 1943-44 supply, including carry-over, totaled 108 million tons 4 percent smaller than in 1943-44

In most of the country the fall period was favorable for harvesting of feed crops, and good progress was made despite the limited supply of labor. Fall pastures have been good over large sections of the principal livestock producing areas, and open wheather until late November and early December permitted farmers and ranchers to conserve needed hay supplies.

Although national supplies of feed crops are large, there are some local shortages. Feed and forage production were low relative to livestock numbers in the Tennessee-Kentucky area and portions of surrounding States, where the summer drought was most severe. The hay crop was also short in parts of New England, New Jersey, and Maryland, in the Ohio Valley, and locally from Wyoming into Oregon.

Parity Values Up 1 Point at Mid-November; Corn Prices Strengthen in December After Previous Decline

During the month ended November 15, the general level of prices paid by farmers for commodities purchased, interest, and taxes advanced 1 point, to 171 percent of the 1910-14 average. The new parity prices of feed grains and hay, as of November 15, are as follows: Corn, $1.10 per bushel; oats, 68.2 cents per bushel; barley, $1.06 per bushel; grain sorghums, $2.07 per hundred pounds.

Prices received by farmers for corn on November 15 averaged $1.06 per bushel, 7 cents lower than a month earlier, and the lowest in any month since November 1943. Corn prices usually are lowest for the season in November, as new-crop grain becomes available in volume. Oats and barley prices received by farmers averaged only slightly higher on November 15 than a month earlier. Prices of grain sorghums on November 15 averaged $1.43 per hundred pounds, 12 cents lower than a month earlier, following a decline which began in May. Prices received by farmers for hay on November 15, at $15.60 per ton, were 40 cents higher than on October 15, a seasonal rise, and $1.10 per ton higher than on November 15, 1943.

Following the decline in corn and grain sorghum prices during the month ended November 15, feed grain prices advanced more than seasonally from mid-November to mid-December. The already strong demand for commercial supplies of feed grains was stimulated by announcement of higher loan rates on 1944 corn, barley, and grain sorghums, by purchases of corn by distillers for production of alcohol, and by purchases of corn by Commodity Credit Corporation for the War Food Administration for export purposes. Corn prices advanced about 8 cents per bushel at Chicago from mid-November to mid-December, to only slightly under the ceiling. Oats prices advanced about 5 cents per bushel at Chicago, and barley prices advanced about 8 to 10 cents at Minneapolis during the same period.

Prices of most byproduct feeds which have been at maximum limits under OPA regulations continued at ceilings in mid-December.

Marketings of Feed Grains Large

Commercial marektings of corn during November were the largest for that month since 1937. Receipts of corn at 12 principal terminal markets during November totaled 38.1 million bushels, compared with 29.7 million bushels in November 1943, and with an average of 26.6 million bushels in that month during the 1938-42 period. Winter storms in late November and early December retarded the movement of corn to market, however, and receipts during the first 2 weeks of December were at a considerably lower rate than in November, although at about the same rate as in most pre-war years for that period.

Receipts of almost 8 million bushels of oats at 12 primary markets in November were smaller than in November 1943, but were larger than for that month in any other year since 1928. Oats marketings also were above average in each month since July. Market receipts during the first half of December indicated above average marketings for the month.

Marketings of barley since the beginning of the crop year in June have been of record proportions. The peak in marketings occurred in August, as in most years, and large quantities have continued to move to market each month since then. Receipts of more than 14 million bushels at 4 principal markets in November were the largest on record for that month. Arrivals at those markets during early December indicate some seasonal reduction, but receipts continued at a higher rate than in most previous years for that period.

Table 7.- Feed grains: Receipts at primary markets, November 1938-43, September-November 1944

Item	November Average 1938-42	November 1942	November 1943	1944 Sept.	1944 Oct.	1944 Nov.
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Corn, 12 markets 1/	26,615	30,061	29,748	12,124	14,718	38,060
Oats, 12 markets 1/	5,229	6,029	10,102	19,971	13,969	7,688
Barley, 4 markets 2/	8,468	9,488	11,896	21,515	17,611	14,323

1/ Chicago, Milwaukee, Minneapolis, Duluth, St. Louis, Kansas City, Peoria, Omaha, Indianapolis, Sioux City, St. Joseph, and Wichita.

2/ Minneapolis, Milwaukee, Chicago, and Duluth.

Compiled from reports of the War Food Administration.

1944 Oilseed Meal Distribution Indicated at 5.5 Million Tons; December Distribution Largest Since April

Reports received by War Food Administration in connection with administration of War Food Order No. 9 indicated that slightly more than 5.5 millio tons of the four principal oilseed meals (soybean, cottonseed, linseed, and peanut) have been distributed throughout the United States during 1944. This quantity compares with 4.8 million tons distributed during 1942. Data on 1943 distribution are not available for comparison. Of the total quantity distribu during 1944, soybean cake and meal accounted for approximately 58 percent, cottonseed cake and meal about 26 percent, linseed cake and meal about 15 percent, and peanut cake and meal 1 percent. Processors' direct distribution accounted for about 78 percent of the total 1944 distribution. About 22 percent was distributed at the direction of War Food Administration from stocks controlled under the set-aside orders (WFO 9), and from Commodity Credit Corporation soybean meal produced in southern mills from northern-grown soybea

Distribution of oilseed meals was largest in absolute quantity in each of the first 3 months of 1944, with distribution at the peak for the year in January. Month-to-month variations have reflected seasonal factors in crushin operations and livestock requirements. States in the North and South Central regions received largest quantities during the year; smallest quantities were received in the South Atlantic region. (Table 8.)

Preliminary estimates of processors' distribution and WFA allocations of oilseed meals for the month of December are indicated at about 456,000 tons, a slight increase over the total distributed in November, and the largest quantity distributed in any month since April. The increase is of seasonal nature. Further increases are anticipated in the ensuing few months, as crushing operations increase and as winter feeding of livestock becomes general

Table 8 .- United States distribution of oilseed meal by geographic divisions, monthly, 1944 1/

Geographic division	Jan.	Feb.	Mar.	Apr.	May	June
	Tons	Tons	Tons	Tons	Tons	Tons
North Atlantic	65,405	66,056	70,009	68,548	70,048	73,646
East North Central ..	112,820	113,185	119,104	124,675	107,943	99,202
West North Central ..	103,476	109,293	124,722	106,414	93,437	80,973
South Atlantic	68,552	61,116	52,115	35,943	30,669	26,911
South Central	202,111	170,731	138,106	97,207	72,695	58,034
Western	66,996	55,036	62,378	64,388	57,026	43,373
Unknown	3,552	2,609	1,266	1,155	525	1,369
Total	622,912	578,026	567,700	498,330	432,343	383,508

Geographic division	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total 1944
North Atlantic	65,610	60,753	60,831	38,985	44,389	46,897	731,177
East North Central ..	98,669	99,675	97,774	62,532	85,706	85,846	1,207,131
West North Central ..	69,605	79,535	82,739	65,462	74,521	75,352	1,065,529
South Atlantic	25,556	26,952	48,568	45,586	49,923	52,335	524,226
South Central	55,097	63,486	115,527	133,014	149,980	150,750	1,406,738
Western	38,487	34,803	30,227	28,582	34,307	37,822	553,425
Unknown	1,332	517	1,714	7,999	5,692	7,819	35,549
Total	354,356	365,721	437,380	382,160	444,518	456,821	5,523,775

1/ Includes processors' distribution (80 percent) and set-aside allocations of cottonseed, soybean, linseed, and peanut meals. Data for January-September are revised on basis of reported actual distribution; data for October-December are estimated.

Compiled from records of the War Food Administration.

Each month since January 1944, oilseed processors have been required to set aside 20 percent of the current month's production of all soybean, cottonseed, linseed, and peanut meal, cake, and pellets. With improvement in the feed supply situation, the War Food Administration reduced to 15 percent the quantities of these feeds to be set aside by processors during the month of January 1945 for government directed distribution, except for linseed meal and pellets, and for cottonseed meal, cake, and pellet production west of the Mississippi River (including the Delta), which remains at 20 percent. During the month of February 1945 processors will not be required to set aside any oilseed meal, cake, or pellets. Present plans of War Food Administration call for discontinuance of the set-aside program after the January allocations are made. War Food Order 9 would be continued, however, to permit the resumption of the set-aside program in the event of future emergencies now unforeseen. Reporting requirements under the order are to be continued.

Table 9 .- Index numbers of wholesale prices of oilseed meals and animal protein feeds at principal markets, by months, 1939-44
(Data for cover page)

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
					Oilseed meals 1/							
1939	90	87	89	90	92	91	87	83	105	97	106	110
1940	110	105	105	105	103	90	86	88	87	89	102	101
1941	99	91	90	92	92	97	110	118	138	127	128	135
1942	142	142	138	131	126	124	129	129	130	129	130	131
1943	131	134	136	136	135	134	134	166	166	166	166	166
1944	166	166	166	166	166	166	166	166	166	166	166	
					Animal protein feeds 2/							
1939	110	101	106	108	108	107	103	100	128	123	120	117
1940	119	111	105	107	110	101	101	94	98	92	99	98
1941	105	110	112	128	132	135	145	141	151	150	142	152
1942	165	170	168	162	162	161	163	164	165	165	165	165
1943	165	165	165	165	165	165	165	165	166	166	166	166
1944	166	166	166	166	166	166	166	166	166	166	164	

1/ Cottonseed, soybean, linseed, and peanut meal.
2/ Tankage, meat scraps, and fish meal.

Table 10.- Production and stocks of specified byproduct feeds, October-September 1938-44, November, 1942 and 1943, and October-November 1944

Item	October-September		November		1944	
	Average 1938-42	1943-44	1942	1943	October	November
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
Production						
Cottonseed cake and meal ...	1,908.2	1,749.8	314.0	288.2	239.6	284.2
Soybean cake and meal	1,796.1	3,444.8	194.4	250.7	218.0	1/
Linseed cake and meal	693.1	997.0	71.1	93.5	59.6	1/
Peanut cake and meal	77.8	108.5	9.3	16.8	4.3	9.1
Copra cake and meal	67.2	2/ 35.0	1.4	2.5	2.9	1/
Gluten feed and meal	766.4	861.0	84.9	80.4	3/ 71.1	3/ 75.2
Brewers' dried grains	144.7	228.6	15.7	17.4	18.5	16.8
Distillers' dried grains ...	244.3	443.8	30.6	31.4	47.3	48.5
Wheat millfeeds	4,583.7	5,372.2	394.3	464.1	487.4	4/ 430.0
Rice millfeeds	127.6	138.1	21.7	26.0	21.8	25.2
Stocks, end of period.........						
Cottonseed cake and meal ...	117.3	60.5	117.4	65.5	70.0	73.7
Peanut, cake and meal	3.8	2.4	2.9	3.0	2.8	3.6

1/ Not available. 2/ Partly estimated.
3/ Domestic grind only. 4/ Preliminary.

Compiled as follows: Cottonseed cake and meal and wheat millfeeds, Bureau of the Census: soybean and linseed cake and meal, War Food Administration, derived from Census crushings reports; brewers' and distillers' dried grains, copra cake and meal, and rice millfeeds, War Food Administration; gluten feed and meal derived from reports of the Corn Industries Research Foundation.

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